POLICY RECOMMENDATIONS

To the **Metropolitan Government of Nashville and Davidson County**





Approved by Metropolitan Social Services Board of Commissioners March 28, 2012



POLICY RECOMMENDATIONS

Introduction

Based on the findings from the 2009, 2010 and 2011 Community Needs Evaluations, Metropolitan Social Services submits these policy recommendations to the Metropolitan Government of Nashville and Davidson County for consideration. The evaluations provide a profile of the residents of Davidson County and describe the needs of disadvantaged residents. They also describe trends to promote planning for future changes so the most needed services can be provided.

Public policy involves the government taking an action, or choosing not to act, in response to a public problem. The global recession has created an array of problems that can be addressed at all levels of government. In addition, communities continue to be affected by the nationwide shift from a traditional industrial economy to one based on the delivery of information and services.

These Policy Recommendations and the Community Needs Evaluations (on which these recommendations are based) respond to the powers and duties defined for MSS in the Metropolitan Charter: "social investigations and reports to the council, the selective service and other governmental agencies" and "to engage in study and research regarding the cause of financial dependency, and methods of better treating such dependency."

With many positive attributes, Nashville ranks high among U. S. cities in many ways. The Nashville Area Chamber of Commerce notes that "The Nashville region's business environment is characterized by a favorable geographic location, quality workforce, lower taxes, and growth opportunities enhanced by a diverse economy." While Davidson County was negatively affected by the recent recession, its economic stability helped mitigate the severity experienced in other cities. Despite this, the number of people living in poverty in Davidson County has increased.

As shown in the recently released 2010 American Community Survey, in comparison to other large counties in Tennessee, Davidson County's poverty rate of 20.2% is higher than Knox County (12.6%) and Hamilton County (15.1%), but slightly lower than Shelby County's poverty rate of 20.4%. Davidson County's poverty rate is also higher than for the State of Tennessee (17.7%) and higher than for the U. S. (15.3%). The poverty rate for all people in Davidson County increased significantly over the past ten years:

- 13.0% in 2000
- 14.2% in 2005
- 20.2% in 2010

Along with political feasibility, there are several criteria on which to evaluate proposed changes in public policy. The policy recommendations focus on effectiveness (likely to work), efficiency (cost-benefit ratio) and equity (fairness).

GENERAL POLICY RECOMMENDATIONS

- 1. Strategically Align Metropolitan Government Resources
- 2. Enhance Coordination
- 3. Refine Funding Allocation Process to Nonprofit Organizations

1. <u>Strategically Align Metropolitan Government Resources</u>

Local governments have responsibilities in an array of areas, including public safety, education, public health, housing, public transportation and many others. The challenge of competing priorities is even greater following the recession. Unfortunately, low-income residents of cities and counties are often affected the most when there are insufficient budgets for basic services.

While residents that are more affluent can afford to pay for private education, transportation, housing health care, and other services, those who are disadvantaged rely only on the services that are available from government and nonprofit organizations. Significant funding is already being spent by local government and quasi-governmental entities for these services, in addition to the funds spent by other private funding sources. It is important to ensure that the right services are being provided in the best way.

To be most effective, services should be aligned to meet the identified needs. Otherwise, the result can be fragmentation of services, gaps in services and inefficiencies. Over time, needs and circumstances may change, so programs and services should be regularly reviewed. Program design decisions should be datadriven to be sure services remain effective. As with federal and state governments, local governments can benefit from using a more effective approach.

Local government has the opportunity to make targeted investments to enhance the lives of people in need. To improve services to help people in need, the Metropolitan Government could promote innovation, best practices and realignment of resources, particularly among the agencies that serve disadvantaged Nashvillians.

2. Enhance Coordination

Most local government agencies operate independently, with little overall coordination among organizations. Sometimes local government agencies provide similar services – either the same type of services, similar services to the same people, or related services to members of the same family. Research shows that factors in one area affect multiple areas of a person's quality of life.

There are limited circumstances in which multiple agencies are well-coordinated (disaster preparedness or response, services for children, etc.). However, there is usually little coordination among local government day-to-day services for people who are in need. Greater coordination could enhance basic services to people in need by improving delivery of services through greater efficiency, rather than through additional expenditures on fragmented services.

Because the agencies are independent, this coordination would likely be effective only if it occurs at the highest organizational level, initiated with the department heads and the Office of the Mayor. The Metropolitan Government could begin the process by identifying the agencies most likely to serve low-income residents to explore the commonalities. It would be important that participating agencies share the interest (or the mandate) of improving services to people in need to achieve greater efficiency and coordination.

3. <u>Refine Funding Allocation Process to Nonprofit Organizations</u>

Establish eligibility and selection criteria for Community Enhancement Grants (and other discretionary funding provided to nonprofit organizations for human/social services) that include the priorities identified in the Community Needs Evaluations. While there may be additional factors that determine eligibility and priority, the funding allocation process should begin with the data and analyses about Nashville's unmet needs from the Community Needs Evaluations.

Community Enhancement Grants are used by local or state governments and private foundations to provide funds to nonprofit organizations to enhance the community, in social/human services, environmental issues, community economic transformation, etc. Local governments use a wide range of funding sources for these grants, such as a percent of hotel-motel or other designated tax, U.S. Department of Transportation funds, Community Development Block Grants or other funding from the U. S. Department of Housing and Urban Development.

To better meet existing and emerging needs, the Metropolitan Government should analyze the process used to allocate funds to nonprofit organization for social/human services and:

- Use objective, relevant and current data to establish eligibility criteria and priorities;
- Increase the funds to meet specific unmet needs, either through direct appropriation or reallocation of existing local general funds;
- Diversify the financial resources for Community Enhancement Funds to include sources in addition to the local general fund;
- Use selection criteria that promote elimination of duplication, effective collaboration and demonstration of innovation and best practice approaches.

SPECIFIC ISSUE RECOMMENDATIONS

Child Care

To enhance long-term success, early childhood investments should begin with high-quality child care with early childhood education. Research shows the value of investments in early childhood to provide children with the skills they need to succeed in school and in life.

Families with greater private resources can afford early childhood development programs, while lowincome families cannot. For limited income families, Head Start and Voluntary Pre-K programs are available for 3-4 year olds, but there are waiting lists and not all children can participate.

There is a lack of awareness among parents, policy makers and the general public about the how high quality child care can have a profound improvement in the lives of the children well into their adulthood. Parents need to be educated and aware of the importance of early childhood development to the lifetime success of their children. It is important for policy makers to understand the significant economic results from quality child care to children, parents and society.

The 2011 report from the Mayor's Advisory Council on Early Childhood Development & Early Education identified the goal for "All Nashville children and families have increased opportunities to access high quality public and private early education and care and an equal start to success." Additional efforts of the Metropolitan Government, including Metro Nashville Public Schools, could enhance the success of current initiatives both in terms of strategic design and capacity.

The Metropolitan Government can invest in early childhood development for low-income preschool children to change the long-term trajectory of educational achievement. This would involve better alignment between preschool and school-based learning, improved transitions as children move from one level to the next and enhanced resources to respond to the unmet need. The endowment fund recommended by the Mayor's Advisory Council could help needy families access care and/or enhance existing public-private partnership scholarship programs.

Food and Nutrition

Various Metropolitan Government departments and various nonprofit organizations are involved in the distribution of food to disadvantaged populations. As the need for food continues to increase, the Metropolitan Government departments can work with nonprofit organizations to develop ways to coordinate resources to better respond to gaps and unmet needs in the food distribution network.

For example, several Metro agencies (MSS, MAC, Schools, Health and Hospitals) provide some type of food service, with little coordination to identify potential duplications or potential for collaborations. Because the services cross a number of Metro agencies, the most successful approach to collaborative discussion could be initiated through the Office of the Mayor. The collaboration would identify ways to create efficiencies and reduce duplication in the food distribution network, and this could be accomplished through a Food Policy Council with broad responsibilities.

The first Food Policy Council in the nation was created in Knoxville, Tennessee, more than 20 years ago. Since that time, many places have created Food Policy Councils, structured in various ways. Unfortunately, a number of Food Policy Councils have been dissolved or disbanded, despite the need for comprehensive food policies. Ordinance BL 2010-807 proposed the creation of the Food Policy Council by the Metropolitan Government with specific responsibilities and designated members. This ordinance was deferred and subsequently withdrawn.

The Metropolitan Council passed RS-2011-1524. This resolution requested the Metropolitan Board of Health to create a Food Policy Council related to the Communities Putting Prevention to Work grant to implement a campaign to facilitate healthy eating and active living. In comparing the Food Policy Council created by the resolution to the one proposed in the ordinance, the Food Policy Council created by the resolution had a narrower focus, less structure and its creation was associated with a funding source that will be discontinued.

The Metropolitan Government should review the Food Policy Council to ensure that it has the structure, support, influence and relationships needed to promote a broad approach to a comprehensive food policy for Davidson County.

<u>Health</u>

Nashville has many health care resources, yet with poor health outcomes for many residents. The growing disparities of the uninsured and underserved significantly contribute to many poor health outcomes. Sometimes people without insurance may not seek the care they need, which makes the problems worse and more expensive when they finally seek medical care. Programs such as TennCare, Medicaid and Medicare, have strict guidelines that disqualify many people who are uninsured.

The mission of the Metro Public Health Department is to "protect and improve the health and well-being of all people in Metropolitan Nashville," which is consistent with providing leadership for an improved health care system for underserved and uninsured persons in Davidson County. Within recent years, two studies (Nashville Safety Net Assessment of the uninsured population Davidson County conducted by Tennessee State University and a study on Enhancing Health Care for underserved and indigent conducted by John Snow, Inc.) both identified the need to support a cohesive and coordinated safety net system.

While the plan for implementation of the recommendations has not been reported, it would likely involve the Safety Net Consortium of Middle Tennessee. The Consortium includes hospitals, primary care clinics, mental health clinics, dental clinics, alcohol and drug treatment centers, and other organizations providing access to health care for the uninsured and underserved population of Davidson County. The Consortium works to meet health care demands with limited resources, which have been unable to meet the growing needs, including the need for specialty care (dental, primary, prevention, etc.)

The Metropolitan Government's support and guidance toward a well-coordinated system of care (that includes preventive, primary, dental and all specialty care) would increase access to affordable care for the underserved and uninsured population of Nashville and Davidson County. However, because of the size and complexity of the needs, multiple alternatives should be explored, such as expansion of the Safety Net Consortium, potential philanthropic involvement of the Nashville Health Care Council or through other means.

Home & Community Based Services-Seniors/Adults

During the coming years, the number of older persons will increase significantly, along with their need for services they need to remain in their homes rather than in more costly institutions. Because of the nationwide economic situation, local, state and federal budgets for these services are not likely to increase accordingly.

Most of the policies and funding for these services are state and federal, although local government can also play a role in addressing the changing needs of older persons and adults with disabilities. Related services provided by the Metropolitan Government could benefit from establishing a process for ongoing collaboration among departments that provided services to disadvantaged seniors and adults with disabilities (MSS Homemaker and Nutrition Programs, Health, Hospitals, Parks and Recreation, etc.).

By sharing and using data, Metropolitan Government agencies could update their services to better respond to the growing needs of older adults and persons with disabilities, resulting in more efficiency and better alignment of local resources. Metropolitan Government should continue to engage with the federal/state/nonprofit organizations that deliver the bulk of these services.

A collateral issue to be considered by the Metropolitan Government is that the need for services will increase at around the same time that large numbers of Metro employees are retiring.

Housing

Inadequate housing and undesirable neighborhood surroundings have far-reaching effects, with underperforming schools, more crime, more unemployment and lack of amenities. Many areas have developed housing trust funds as a long-term approach to increase the availability of affordable housing. The involvement of the Metropolitan Government could strengthen and enhance the success of current work toward a Davidson County housing trust fund, which includes various nonprofit organizations and Vanderbilt University's *Cal Turner Program for Moral Leadership and Law Students for Social Justice*.

In the 2006 Nashville-Davidson County, Tennessee, *Analysis of Impediments to Fair Housing Study*, MDHA explained how inclusionary zoning can promote equality and diversity of living patterns and noted a trend in Nashville to zone out new multifamily housing. It said, "Metro should be careful in adopting land use policies and related zoning that would have the effect of limiting fair and affordable housing opportunities as well as appear to represent neighborhood opposition based on the so called NIMBY (Not In My Back Yard) syndrome."

Another way to increase affordable housing, while reducing the concentration of poverty to specific geographic areas, is Inclusionary Zoning. The Metropolitan Council passed Resolution RS2008-553, requesting the Metropolitan Planning Department to "develop a plan for equitable distribution of affordable housing throughout Metropolitan Nashville and Davidson County." The April 30, 2009 response to the resolution noted the lack of political will to equitably disperse affordable housing across the County. The report described Inclusionary Zoning that requires new housing developments of a certain size to include a small, predetermined percentage of affordable housing.

The report explains that the tool of Inclusionary Zoning "harnesses the power of the private housing market to provide affordable housing." During the last 35 years, hundreds of cities have used it successfully to disperse affordable housing, resulting in "economic, environmental and societal benefits."

Neighborhood Development

Local governments define neighborhood development and community development in a variety of ways. While some combine community development with economic/business development, others often combine neighborhood initiatives with community development. In some cities, neighborhood and community development are often focused on improving the quality of life in disadvantaged neighborhoods, to help residents succeed financially and socially.

The Metropolitan Government has an array of departments and initiatives that address components of neighborhood and community development, but are generally independent of each other. The Metropolitan Government could strengthen its capacity to improve neighborhoods and communities by clarifying its role in neighborhood/community development. In addition, the Metropolitan Government can provide leadership and identify specific indicators to measure quality of life, assign relevant departments to report on the data needed, and analyze and use the data through targeted collaborations with the private sector.

The data reported by various Metro agencies could be coordinated through the Mayor's Office of Neighborhoods in conjunction with other organizations. The income/poverty disparity among Metropolitan Council Districts is identified through data from the U.S. Census Bureau. However, there are many local indicators that are not tracked by the federal government. In order to objectively measure the quality of life in Nashville's communities, regularly reported data is necessary.

Workforce & Economic Opportunity

There are industries for which there are shortages of available workers with needed skills, as well as an extremely high unemployment rate for inexperienced younger workers. While school academies and career center service help prepare students for work, the lack of actual work experience is a barrier. The Nashville Area Chamber of Commerce recently reported that a member survey indicated that talent development of the region's workforce should, "Make sure high school graduates are prepared for college and career."

While high schools prepare students for trades and industrial work, their success could be enhanced by brief paid internships with agencies of the Metropolitan Government as well as with private businesses that could provide additional skills outside those in Metro agencies. The Mayor's Summer Youth Employment Program is a successful model, primarily for students who are college-bound. A similar parallel program targeted to other students could enhance their opportunity for work immediately following high school.